

Housing Resource Manual

PART 1: SUBSIDIZED RENTAL HOUSING

A housing subsidy is financial assistance given to people to help them rent or purchase housing that they could not otherwise afford. In this section, different types of rental housing subsidies are examined and information is provided regarding how they may be accessed.

A. Types of Subsidized Rental Housing

Rental housing subsidies can either be attached to specific housing units and properties (“project-based”) or they can be portable, attached to eligible tenants (“tenant-based”). It is important to understand the type of subsidy for which you are applying. These are discussed in more detail below.

1. Project-Based Rental Assistance

Project-based assistance is tied to specific housing developments. With project-based assistance, you must continue to live in the unit in order to receive the benefit. When you move out, even if your income still qualifies you for assistance, the subsidy stays with the unit and the property owner or manager will find a new eligible tenant.

The majority of these rental properties are owned by private entities, either for-profit or nonprofit, with funding from state or federal government agencies. In some areas of the state, especially Portland, Lewiston-Auburn, or Bangor, the rental properties may be owned by a housing authority. Sometimes housing authorities will offer both project-based and tenant-based assistance. Sometimes all the units in a particular rental property will be subsidized, and sometimes only a portion of them will have subsidies attached.

The amount of subsidy that project-based rental assistance programs can offer will also vary according to the program. In some projects the housing subsidy will pay the difference between 30% of your adjusted gross income and the fair market rent. Typically, with this sort of “deep subsidy” as your income increases, the amount you have to pay increases as well; if your income decreases (for example due to health reasons, or a job layoff) the amount of subsidy will increase to cover the rent. In other properties, the subsidy amount may be lower (a “shallow subsidy”).

Examples of project-based rental assistance programs include those sponsored by:

- Rural Development (formerly known as the Farmers Home Administration),
- Department of Housing and Urban Development (HUD) which includes;
 - Section 8 New Construction
 - Section 8 Substantial & Moderate Rehab
 - Public Housing Authorities
 - Maine State Housing Authority Agents

2. Tenant-Based Rental Assistance

With tenant-based rental assistance, you must locate your own apartment (your community support worker can assist you with this). The unit must be located within the catchment area of the Public Housing Authority/Agency. If you move, the voucher assistance will follow you, as long as you remain eligible for the program, you do not leave the old unit in violation of the lease, and you choose a unit within the cost guidelines. The landlord must also agree to accept you as a tenant and to accept the housing assistance payment from the administering agent.

Vouchers can be used to rent apartment units, units in housing cooperatives, or for a pad lease if you own a manufactured home. The size of your household typically determines size of unit.

Examples of tenant-based rental assistance include:

- Section 8 "vouchers" known as "Housing Choice Vouchers"
- Shelter Plus Care Tenant Rental Assistance Program
- Bridging Rental Assistance Program vouchers

B. Vouchers Administered by Public Housing Authorities & MSHA Agents

Housing Choice "tenant-based" vouchers tend to be the most popular form of assistance, since they give the people who hold them a great deal of choice and portability as to where they live. This program generally has the longest waiting list. In some areas of the state, the waiting lists for Housing Choice vouchers may get so long the Housing Agents will close the list to new applications. When the Housing Agent begins accepting applications again, a notice will be posted in local newspapers. You can also call the agent's office from time to time to find out when the list will re-open. While it may be discouraging to think that you may have a long wait before you receive rental assistance, the only way to get help is to get on waiting lists for as many types of housing assistance for which you are eligible. Getting on one waiting list does not mean that you are automatically on all lists for housing assistance; you have to apply to each complex or program individually.



If you have a disability you should be sure to ask the Housing Agent if there are any Mainstream Vouchers, Fair Share Vouchers, or 1915© Vouchers available. In many cases, the wait list for these vouchers is not as lengthy as it is for the Housing Choice Vouchers.

In the voucher program, the subsidy is based on a local "payment standard" that reflects the cost to lease a unit in the local housing market. If the rent is less than the payment standard, the tenant generally pays 30 percent of adjusted gross monthly income for rent. If the rent is more than the payment standard, the tenant pays a larger share of the rent.

Vouchers administered by the Department of Health & Human Services

Recognizing that persons with disabilities often face even a greater burden of finding safe, decent, and affordable housing, DHHS is responding to this need through the development and operation of two subsidy programs, Bridging Rental Assistance Program and Shelter Plus Care.

1. Bridging Rental Assistance Program (BRAP)

BRAP was established in recognition that people with psychiatric disabilities are often unable to afford to rent safe, decent, and sanitary housing of their choice in the community. BRAP is designed to assist individuals with housing assistance for up to 24 months or until they are awarded a Housing Choice Voucher or other form federal subsidy, whichever comes first. For this reason, units subsidized by BRAP funding must meet Section 8 requirements (within Fair Market Rent and meet Housing Quality Standards) so recipients may continue to reside in their apartments once awarded a voucher.

Program Participants pay 51% of their gross income for rent. BRAP subsidizes the remaining portion of the rent, up to the Fair Market Rent as established by HUD.

The eligibility criteria for an individual to receive a BRAP rental subsidy is as follows:

1. The participant must have a psychiatric disability (as defined by the DHHS Adult Mental Health Services Priority Population Criteria) for which they are currently receiving or are in the process of being instated/reinstated Social Security Disability Income (SSDI) and/or Supplemental Security Income (SSI).
2. The Individual must already have applied for or be willing to apply for federal Section 8 through their local Public Housing Authority or other management agencies and maintain waiting list status.

DHHS has established four statewide priorities for recipients. The following is a list of priority populations to be served by BRAP.

1. Eligible individuals who are leaving state psychiatric institutions (AMHI, BMHI) and individuals in private psychiatric hospital beds or those who have been discharged in the last six months from any of these institutions.
2. Eligible individuals who are homeless as defined by the Stewart B. McKinney Homeless Assistance Act as funded by the U.S. Department of Housing and Urban Development.
3. Eligible individuals who are moving from community residential programs funded by DHHS to more independent living arrangements.
4. Eligible individuals who are living in substandard housing in the community as defined by the U.S. Department of Housing and Urban Development.

For further information regarding the Bridging Rental Assistance Program or to request an application, please contact the Local Administrative Agency (LAA) nearest you. A list of the LAAs can be found in Appendix A.

2. Shelter Plus Care

Shelter Plus Care is a federal program funded by the U.S. Department of Housing and Urban Development (HUD) designed to provide rental subsidies and supportive services to homeless individuals with disabilities, primarily those with chronic mental illness, substance abuse, HIV/AIDS, or any combination of those listed. Shelter Plus Care is administered by the State of Maine Department of Health & Human Services, in partnership with Shalom House Inc., which provides centralized administration. The City

of Bangor also administers a Shelter Plus Care grant. Local Service Agencies throughout the state have committed to providing the direct support services component of the program.

For eligibility, individuals must meet the homelessness and disability criteria as defined by HUD. Program participants pay 30% of their adjusted gross income towards rent and Shelter Plus Care subsidizes the remaining portion of the rent. Participants are able to choose their own living units, provided the units meet Housing Quality Standards and fall within the Fair Market Rent established for the area by HUD.

For further information regarding the Shelter Plus Care program, please contact the Local Administrative Agency (LAA) nearest you, see Appendix A.

C. Eligibility

The first step in obtaining a housing subsidy is to find out whether you are eligible for assistance. Remember, being eligible does not mean you automatically receive assistance; you have to complete the application process and may have to spend some time on a waiting list. Eligibility factors may include income, age, disability, household composition, as well as tenant, credit, and criminal history.

D. Where to apply

In some areas of Maine the local Public Housing Authority (PHA) is the place to apply for rental subsidy; in other areas some other entity serves as the Housing Agent. [For the sake of simplicity, this resource manual will use the term “Housing Agent” to refer to the PHA or organization responsible for local administration of vouchers. (see Appendix A for a listing of statewide Housing Agents).] There is often a long wait for vouchers administered by Public Housing Authorities and MSHA agents, sometimes as long as three years. In order to get into subsidized rental housing it is first necessary to get on the waiting lists for various housing programs, and then to stay on them until your name rises to the top. This is true for all forms of subsidized rental housing.

E. Waiting lists

Once all the paperwork is submitted, the Housing Agent will send you a letter indicating whether your application was accepted or denied, or asking for more information. If your application is accepted, you will be informed that you have been placed on a waiting list, and the Housing Agent will contact you when funding or an apartment is available to serve you.

The waiting lists for “Project-Based” subsidized housing properties are often shorter than for the “Tenant-Based” Housing Choice Vouchers. Once again, the only way to get on the lists is to apply directly to the housing manager responsible for each housing development or the local Housing Authority/Agent.



Housing agents are required to update their waiting lists at least once a year. They do this by sending a form to all the people on the waiting list, asking if there has been a change in income, disability status, etc., and asking whether they are still interested in remaining on the list. Keep in mind that when the Housing Agents choose to update the wait list may have no relationship to when you first completed your pre-application and got on the waiting list. If you filled out the paperwork in May, they may decide to update in June or in any month after that. Housing agents are on different schedules, also, so you may receive re-certification letters throughout the year if your name is on multiple waiting lists.



If you move, be sure to contact the Housing Agents where you have applied, and tell them your new address. It is best to put your new address in writing. It is not enough to leave your forwarding address with the post office - this may expire before the Housing Agents get around to updating their waiting lists and then you will be dropped from the list and have to start the process all over again.

F. Preferences

Some tenant-based and project-based rental assistance programs have either local or federal preferences. The preference system assigns a higher priority to applicants who are in particular types of situations or are living in particular areas, so they may receive assistance sooner. While at one time the federal government mandated the use of preferences, the policy now allows local Housing Agents to determine themselves (with public input) which preferences to use. As a result, some housing authorities and managers may not use preferences at all, and some may use one or more. You should check with the Housing Agents when you apply to find out if they are using some sort of preference system. Examples of preferences include those for people who are:

- currently living in substandard housing (e.g., without indoor plumbing, with unsafe electricity, or which has been declared unfit by a town or agency)
- people who are homeless
- involuntarily displaced (e.g., as a result of fire or flood, domestic violence, or eviction from the previous rental unit that was beyond the tenant's control such as if the complex converted to condominium)
- paying more than 50% of gross monthly income for rent and utilities, which is called “rent-burdened”
- another preference as determined by the local administering agency.

If you qualify for a preference when you first apply, this information will be checked again once your name rises to the top of the list. If your situation has changed, the Housing Agent will ask for updated information and documentation regarding your income and current living situation. If, at that point, you no longer qualify for one of the preferences, you will be moved back down the waiting list to where you would have been had you not had the preference.

G. Common Reasons for Housing Applications Being Denied

You may be denied rental housing subsidies or access to housing if you:

- have a gross annual income higher than the limits set for the program for which you are applying;
- owe rent or other money from a previous tenancy (especially in other subsidized housing);
- have been evicted from federally assisted housing;
- have been convicted within the last three years of a drug related or violent criminal act;
- do not meet specific eligibility requirements;
 - Example: you are a single, non-disabled, young adult who has applied to an elderly housing development.

You may also have trouble finding an apartment if you:

- have a history of creating a substantial nuisance for other tenants (or of having guests who caused a substantial nuisance);
- have a history of causing damage to units;
- have significant problems with your rental payment history.

I. Using the Housing Choice, Mainstream, Fair Share, and 1915© Vouchers

When your name gets to the top of the waiting list and you are awarded a voucher, you will be invited to a briefing session to learn the program rules and regulations. For tenant-based vouchers, you are responsible for locating your own apartment. Thus, the briefing will include information on the requirements for eligible housing units, such as size, cost, condition, how much utilities can cost, etc. You may find that you will be able to use the voucher in your current living situation, or you may have to locate a different apartment. Subsidized apartments have many requirements, including a unit that meets Fair Market Rent and Housing Quality Standards.

1. Fair Market Rent

Fair Market Rent is typically the maximum rent, as established by HUD, the voucher will pay for during the first year of occupancy. In some areas of the state, these rents have been exceeded by 10%. Contact your local Housing Agent to determine the maximum amount of rent that you can utilize under your particular voucher.

2. Housing Quality Standards

Housing Quality Standards are a series of minimum qualifications established by HUD for all federally subsidized apartments. The state funded Bridging Rental Assistance Program has also adopted these standards. Your unit must meet or be able to meet these basic HQS standards. For more information see HUD booklet, *'A Good Place to Live'* in Exhibit 1.

Once you have located a unit and a landlord willing to work with the voucher program, you must complete a Request for Lease Approval for the Housing Agent administering the program. The Housing Agent will inspect the unit to ensure that it meets minimum housing quality standards (HQS) and negotiate with the owner about repairs that need to be made and the rent that can be charged.



We strongly recommend that you do not sign a lease agreement for the apartment until the HQS inspection has been completed and your Housing Agent has approved the unit.

As with any rental situation, the landlord may choose to have you sign a lease for renting the apartment. The lease spells out the rights and responsibilities of the landlord and the tenant. Before you sign it, read it and understand what the expectations are of you as a tenant. Not abiding by the terms of the lease may lead to you being evicted from the apartment and losing the housing subsidy altogether (see *Part 3 Tenants & Landlords Rights and Responsibilities* and Appendix B for contact information regarding legal assistance).

J. Retaining the Voucher

Once you have obtained the voucher and are moved in to your apartment, you will have to provide the Housing Agent with information every year regarding your household income and composition. This is known as the "annual re-certification," and is generally done a year from the time you began receiving the assistance. If your household income and/or composition have changed over the course of the year, you must report this change to the Housing Agent. Your rent payment will be re-calculated and you may end up paying more or less, depending on the new income or household composition status. If you wish to retain your voucher it is very important that you cooperate with the re-certification process, since failing to do so may result in the assistance being terminated.



Anytime your income or family composition changes, you must report it to the Housing Agent. Failure to do so will likely be interpreted as fraud. If you have committed fraud, you may lose your voucher, be subject to recapture of the rental assistance you have already received, and you will likely face one or more local, state, or federal criminal charges (depending on the type of subsidy received).

